



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov>



IN REPLY REFER TO:
3482
U-50044
(UT-923)

SEP 19 2008

Certified Mail--Return Receipt Requested 7007 3020 0000 4147 6298

Russell Hardy, Mine Engineer
Consolidation Coal Co.
Emery Mine
PO Box 527
Emery, Utah 84522

Re: Modification to the Resource Recovery and Protection Plan (R2P2), CM Panel Layout;
5th West Mains and associated LI5 Panels, Emery Mine.

Dear Mr. Hardy:

The Bureau of Land Management (BLM) received on August 6, 2008, an R2P2 modification request from Consolidation Coal Company for the subject mine. The proposed modification revises the mine layout and the timing of the mining, with emphasis on the 5th West and LI5 Panels on Consol's Logical Mining Unit UTU-73335, which includes Federal coal leases U-5287 and U-50044 and other non-federal coal lands.

Proposed Plan: The R2P2 modification has one area of change. Since the most recent R2P2 revision, Consol has developed to the extent of the "combined" seam (L+I) in 1st North. This has allowed them to set limits on the eastern side of the LI5 Panels (off of 5th West) and optimize the panel layout. In addition to the better layout, Consol has also encountered operational difficulties (floor heave) in the furthest advanced faces of the 5th West section. In fact, the heave does not allow room for the mining machinery to operate in 5th West. Due to the clay floor, Consol is also not able to cut out the heave and continue operation in this section. To compensate for this, Consol is starting 2 North Panel outby the heave area in 5th West and will use the new 2 North entries as mains to mine the LI5 block. Overall mine timing will not change.

Approval: The BLM agrees with the proposed changes. We have noted on a recent inspection visit (July 16, 2008) that the floor heave in the northern-most entries (within the boundary of U-50044) was initially encountered approximately 1,000' down the hill from the 1st North section. The decision was made to stop the progress of those entries in a north-westerly direction due to the heave, the soft clay floor and the overall mining height being inadequate for clean coal recovery. By moving the access to the LI5 Panel outby to the new 2 North section, this area of low seam height will be avoided and logical access and development of the LI5 Panel will be achieved. This clearly will maximize the resource recovery while eliminating the coal quality

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issues in this zone. The remainder of the overall mine plan has been adjusted with minor changes accordingly. A copy of the approved mine map is enclosed.

Maximum Economic Recovery (MER): Full extraction of recoverable coal reserves will enable MER of the Federal coal in lease U-50044 (and LMU UTU-73335) to be achieved.

Recoverable Reserve Base: A different approach to the resource is being used due to a floor heave, soft floor and low seam height in the 5th West section. The new layout will increase the overall recoverable resource in the R2P2. Also, the mine layout design has changed somewhat within the LMU. When compared to the most recent R2P2 reserve estimate (03/14/08), and taking into consideration the production since 03/14/08 the new estimate (08/06/08) shows that the recoverable reserve on Federal Coal Leases U-50044 will be increased by a 107,092 tons, of which 28,947 tons (MMS reporting) has been produced as of August 6, 2008. The overall LMU tonnage (which includes Federal lease U-50044) has been increased by 533,526 tons of which 422,959 tons (MMS reporting) has been produced as of August 6, 2008. It should be noted that of the overall LMU tonnage increase of 533,526 tons, 426,434 tons were on non-federal (fee) leases. There is no change in the recoverable tonnage on Consol's Federal Coal Lease U-5287 as a result of this R2P2 modification.

National Environmental Policy Act (NEPA): No new surface disturbance is predicted with this action, and therefore this action is Categorically Excluded (CX) from NEPA analysis under DM 516 chapter 11.5, paragraph F. (8): Approval of minor modifications to, or minor variances from, activities described in an approved underground or surface mine plan for leasable minerals. (e.g., change in mining sequence or timing.).

This R2P2 modification complies with the Mineral Leasing Act of 1920, as amended, the regulations at CFR 3480, and the lease terms and conditions. If you have any questions, please contact Mike Glasson at the Price Field Office at (435) 636-3604 or Jeff McKenzie of my staff at (801) 539-4038.

Sincerely,

JAMES F KOHLER

James F. Kohler
Chief, Solid Minerals

Enclosure:

Approved Mine Map

cc: UT-070, Price Field Office (w/ Enclosure)
Utah Division of Oil Gas and Mining (w/o Enclosure)
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84114-5801

ConsolIR2Aug08JM-SA9-17-08

**Mining Plan Approved by
Bureau of Land Management**

Recommended By: 17 Sept 2008

Mining Engineer (Date)

Approved By:

Manager (Date)

9/18/2006

